

believed, however, that the excluded 14 percent as a group had no specific traits that would cause their omission to detract from an analysis of the 86 percent as representative of the whole group. For example, the distribution of civil-service annuity amounts for both the annuitant study and the whole group of annuitants differs no more than one percentage point from one interval to another.

The Social Security Administration earnings records used in the study did not have data on the number of years in covered employment under OASDHI before 1950. Information concerning this period was estimated for the annuitants by means of a regression estimate based on the 1-percent Continuous Work-History Sample of the Social Security Administration and subsequently applied to the earnings record for these years. Estimates for these years were added (where applicable) to the number of years of covered employment after 1950.

An unknown number of annuitants who died between June 1967 and the February 1968 linkage date with social security records are included in the nonbeneficiary statistics.

In devising the wage replacement ratio (table 11), an adjustment was made for rising wage levels after retirement. Without this adjustment, an annuitant who retired some years ago will have an unrealistically high earnings replacement ratio, since 1967 civil-service annuity figures and 1968 OASDHI benefit figures are used. Over the years the civil-service annuities and OASDHI benefits of those already retired have had several increases. An adjustment is thus needed in the earnings figures in order to produce a wage-replacement ratio that will be applicable to current salary levels.

In this study, the civil-service wage data consisted of annuitants' average earnings in the 5-high-years, as com-

puted for retirement purposes. This wage figure was adjusted as follows:

1. Three years were subtracted from the year the civil-service annuity began since the average high-5 earnings figure reflects more accurately the preretirement earnings of the third year before retirement than the year immediately before.
2. The high-5 earnings figure was multiplied by an index figure for the year determined by step 1. The index figures, shown below, were developed from the Department of Commerce series of average annual earnings for Federal civilian workers from 1940 to 1966.

Year	Index	Year	Index
1966	1.00	1952	2.00
1965	1.06	1951	2.14
1964	1.11	1950	2.31
1963	1.19	1949	2.41
1962	1.25	1948	2.57
1961	1.29	1947	2.63
1960	1.37	1946	2.88
1959	1.42	1945	3.05
1958	1.47	1944	3.02
1957	1.63	1943	3.07
1956	1.68	1942	3.63
1955	1.76	1941	4.10
1954	1.87	1940 or earlier	4.26
1953	1.91		

This adjustment inflated the earnings figures to correspond roughly with current Federal wage scales. When current benefits were related to these figures the resultant wage-replacement ratio approximated a real level-of-living replacement with respect to civil-service salaries.

Notes and Brief Reports

Social Security Service to American Indians*

For well over a decade the Social Security Administration has been actively involved in efforts to assure American Indians and Alaskan natives their full rights and benefits under the social security program. Because many of these citizens live in remote areas under cultural conditions that are far removed from the contemporary American scene, they often require assistance and service that is beyond the scope of most of the Social Security Administration district offices.

The basic problem the Administration has to deal with is one of communication. Language

and cultural barriers, widespread illiteracy, and poor or impassable roads have all made it extremely difficult to give or receive information necessary to the successful operation of the social security program. Both the Office of Information and the Bureau of District Office Operations have made great progress in closing this information gap.

The function of the Office of Information has mainly been to produce and distribute informational materials that will encourage better reporting and claims administration. One of their first efforts was the booklet, *Social Security and the American Indian*, published in 1959. This publication resulted from discussions with the Bureau of Indian Affairs in 1958 and was quickly put into use by the agency on most reservations throughout the country. Altogether, about 150,000 copies have been distributed in successive editions.

Written materials alone are not enough to solve

* Prepared by Anne Hamilton, Publications Staff, Office of Research and Statistics.

the information problem, however. On the Navajo Reservation a large proportion of the population speaks little or no English, and many cannot read. In 1960 it was estimated that there were still so few people who could read the written Navajo that any information program would be severely limited if it relied mainly on written materials. The Office of Information has therefore been active in producing visual materials such as posters, slides, and films for use among the Indians. One of their recent efforts was the production of two full-color, 15-minute motion pictures about how the social security program has been brought to the Navajos and their neighboring tribes. The films were made on location in Arizona, Utah, and New Mexico and were distributed among 147 television stations broadcasting the series "Social Security In America." They have also been shown in many schools and groups on or near the Navajo Reservation.

Another major step in bringing information to the American Indian was the translation of a booklet originally used by the Office of Information for literacy training. The booklet was translated into the written Navajo language in 1960 by Lloyd House, a young Navajo school teacher hired by the field office as a claims representative. Thousands of copies of the booklet (*Hosteem Nez Gets A Social Security Card*) have been used on the Navajo Reservation and in nearby schools, both as a means of literacy training and as a basic source of information about the social security program. There have been three different editions of the booklet, and it is believed to be the first Federal Government publication ever printed in the Navajo language.

During 1968 the Office of Information worked with VISTA (Volunteers in Service to America) headquarters in Washington to make the social security program a regular part of their outreach to all the Indian Nations in the United States. The first step was to furnish kits of social security materials to VISTA centers for use in the training of volunteers.

The Bureau of District Office Operations is responsible for actually administering the social security program for the Indians. Because of the large areas of land involved, with poor roads, scattered population, and unfamiliar language and culture, the task of the field office has been a difficult one.

On the Navajo Reservation there are about 106,000 inhabitants on some 25,000 square miles of land—the largest concentration of Indian population in the United States. At one time, three district offices shared responsibility for the area, but the arrangement caused complications in operating procedures because of the number of agencies involved—the Bureau of Indian Affairs, the Navajo Tribal Government, and the district offices. As a result, responsibility for the Navajo Reservation and the area immediately adjacent to it was assigned to the Albuquerque, New Mexico, District Office.

After significant population shifts occurred on the reservation, responsibility for the area was further centralized in a branch office in Gallup, New Mexico. Workloads developed so rapidly in this area that in 1965 a district office was opened in Farmington, New Mexico, with responsibility for the entire Navajo Reservation. Farmington and Gallup (now a resident station) have established about 40 contact stations throughout the Navajo country that are visited on a regularly scheduled basis. Many of these locations are remote mission centers or trading posts accessible only by jeep.

In addition to problems created by the terrain, there are many other difficulties arising from the Navajo life-style and culture. A basically agrarian society and a highly mobile working population (many move off and onto the reservation to accept seasonal or temporary employment) make for much difficulty in wage reporting. Thus, even though most families would be eligible for at least minimum protection under old-age, survivors, disability, and health insurance (OASDHI), many are not covered. Great confusion exists over names, ages, and family relationships because of the intricate sociological structure of the Navajo family. In fact, proof-of-age problems have become so great that special tolerance has been provided for Navajo claims.

Hiring Indian employees in the field offices has proved very helpful in solving some of these difficulties, and efforts are now being made to hire more. In 1968 the Social Security Administration employed a total of 95 American Indians, 44 of whom were located in States with relatively large Indian populations (Arizona, California, New

Mexico, Montana, North Carolina, Oklahoma, and South Dakota). Lloyd House, the translator of *Hosteen Nez Gets a Social Security Card*, functions today as social security representative to the Navajo, an official position on the Navajo Tribal Council. During his time with social security he has developed from the tribal capital at Window Rock a network of part-time representatives throughout the reservation. These 10 or more Navajo employees find leads for social security claims, distribute information, and often serve as interpreters for itinerant official representatives.

As part of the Farmington District Office's information program, several 1-day meetings have been sponsored for the Bureau of Indian Affairs, the Public Health Service, the Department of Public Welfare, and tribal officials. The objective of the meetings was to enable officials of these agencies to distribute accurate social security information throughout the Navajo area and to strengthen interagency relations. With the aid of the Office of Navajo Economic Opportunity, the Farmington office has also sponsored a conference on agricultural and migrant-labor wage reporting.

This type of increased service to the Navajo area has been such that today the workload of the Farmington District Office exceeds that of Santa Fe, the State capital, and is second only to that of the Albuquerque District Office. Other parts of the country have seen similar growth in service to large Indian populations with the recent establishment of new branch offices in Shawnee and Clinton, Oklahoma, and Lumberton, North Carolina. District offices are responsible for tribes in the Lake Okechobee area in Florida and cooperate with social workers of the Seminole Tribe.

SERVICE TO ALASKAN NATIVES

The same type of service that is provided for the Navajos and other tribes throughout the country is also provided for Alaskan natives. Alaska is presently served by two district offices, Juneau and Anchorage, and a resident station in Fairbanks. These facilities operate about 50 contact stations and points, some of which are accessible only by air. Like the other field offices serving large Indian populations, the Alaskan offices have developed many special techniques to

reach residents in the area. Local contacts are established in the villages to furnish information and to aid the local population in social security matters. Regular contact is maintained by mail and, wherever possible, in person. The Bureau of Indian Affairs, the Public Health Service, the State Division of Public Welfare, and the post offices are all of great help in suggesting and locating necessary contacts.

Itinerant service in Alaska is publicized very broadly. The Juneau District Office, for example, mails out travel schedules to over 1,000 key contacts. Mailed along with the schedules is a newsletter covering current public information topics.

All Alaskan offices maintain liaison with the canneries since they are heavy employers of native help during the summer. They also cooperate closely with the Alaskan Bureau of Vital Statistics, the Bureau of Indian Affairs, and the clergy of the Russian Orthodox Church to establish and record acceptable birth records for the native population. (Establishing proof of age is a major problem among Alaskan claimants as well as the Navajos.) District offices in Alaska have also worked with VISTA volunteers to familiarize them with coverage requirements and filing procedures.

Clearly, OASDHI is a vitally important anti-poverty measure among the Indians. The Bureau of Federal Credit Unions has provided another major service in this area by helping more Indians learn of the benefits available through cooperative self-help projects. Many reservations have long-established credit unions, but there are many newly chartered credit unions that are a direct result of local community action programs. These Federal credit unions are visited regularly by examiners from the Bureau of Federal Credit Unions to see that regulations are followed and to assist the officials in strengthening operations and extending loan and thrift services.

A modified version of Project Moneywise, the Bureau's program in consumer education, has been conducted several times specifically for the Indians. Participants represented nine or more reservations and were given instruction in consumer education, family financial counseling, credit union operation and management, and leadership development. These 2-week sessions were geared to help limited-income Indians spend more wisely the little money they have and thus

improve their standard of living. Participants learned to prepare a family budget, to compare values, prices, and credit when shopping, and to use group effort to combat financial ills. Use of the credit union as the alternative source of credit was stressed.

These programs, which were conducted in 1967, were sponsored by the University of South Dakota. The Project Moneywise task force presented an 8-day consumer education program at Standing Rock, North Dakota, in May 1968, and it is hoped that in the future more universities will sponsor similar training for residents of reservations in their areas.

Social Security Abroad

EXPANSION OF CANADA'S MEDICARE*

On April 1, 1969, Newfoundland, Nova Scotia, and Manitoba joined Canada's national program for health insurance, bringing the total number of Provinces now participating to five. When the program first went into effect last July, only Saskatchewan and British Columbia had established medical insurance plans that qualified. Although some of the other Provinces also had comprehensive medical care programs, they were not structured to satisfy all of the Federal Government's requirements. To qualify for Federal funds, a Provincial plan essentially had to be universal, comprehensive, portable, and publicly administered. "Portability" referred to measures for safeguarding continuous protection for persons moving between Provinces or temporarily absent from their own Provinces. A Province's plan was considered to be universal if it furnished insured services to 90 percent of its insurable residents initially and 95 percent subsequently.

Two other Provinces, New Brunswick and Alberta, have recently expressed their intention to participate in the national medical insurance program during this calendar year. The three remaining Provinces are Prince Edward Island and the two most populous, Quebec and Ontario

*Prepared by Joseph Simanis, International Staff, Office of Research and Statistics.

(together these two account for more than half the national population). Quebec is now preparing to launch a program that will probably meet Federal requirements and may become operative by mid-1970. Ontario already has a voluntary health insurance scheme, but it does not yet satisfy the Federal criteria for universality.

Although the Federal Government contributes about half the participating Provinces' medical insurance costs, the exact level is established by a formula designed to give relatively more assistance to economically disadvantaged Provinces. A national per capita cost is first determined by averaging medical insurance expenses of all participating Provinces. The individual Province then receives half this amount for each resident who benefits from the program. The effect of the formula is to reimburse a province with low medical costs for more than 50 percent of its expenditures for medical insurance.

The method of financing each participating Province's share of the cost varies widely. Manitoba has a compulsory premium set at a level designed to cover the entire Provincial share of the cost. Saskatchewan also depends to a certain degree on compulsory premiums, but they are set at a much lower level. Since April 1968, Saskatchewan has also been collecting utilization fees to discourage overuse of medical facilities. British Columbia has a voluntary premium plan, and Newfoundland and Nova Scotia rely on general revenue financing.

In December, Canada's Minister of Finance stated that expansion of the national medical insurance program would help to curb the rising rate of medical costs. He noted that, in Saskatchewan (which has had a universal medical insurance scheme since 1962) administrative costs represent about 6 percent of total medical costs; at the same time, according to the Hall Royal Commission,¹ private insurance groups generally collected, on a national basis, \$1.37 for every \$1.00 expended in benefits. Furthermore, physicians' fees in Saskatchewan rose only 4.5 percent per year between 1963 and 1967, in contrast to a rise of 8 percent a year in the rest of the country.

The Minister of Finance also suggested that

(Continued on page 58)

¹ The Hall Commission was appointed in 1961 to study medical needs in Canada. It submitted its final reports in 1964 and 1965.